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Introduction: The Business of Identity

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This special issue brings together a number of papers that question the popular view of Chinese business and management practices as applied outside China. The papers provide nuanced and holistic ways to understand Chineseness and the Chinese way of doing business. Their approaches challenge some of the claims made by scholars like Hofstede, Hamilton and Reading.

The rise of the Southeast Asian tiger economies in the 1980s and the role of ethnic Chinese businesses therein, as well as the opening up of China from the 1990s onwards have created an impressive build-up of knowledge on Chinese business and management practices. Traditionally, scholars argue that Chinese businesses in Southeast Asia function well because of their values, networks, work ethics and personal relationships (*guanxi*). More specifically, they include claims that Chinese business leaders prefer to do business with ‘other Chinese’ (either nationally or transnationally) and that the Chinese are more contextual in their actions than their ‘western’ counterparts. Such claims have been popularized and have permeated academic writings.

Such popularized views of the Chinese are increasingly being questioned. Researchers acknowledge that there are different Chinese business practices, and that there is a wide range of Chinese management styles, both inside and outside China. By contextualizing specific business practices, Chinese business owners and managers are seen to be responsive to the situation and circumstances in which

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they live and work (such as the economic climate and the ethnic policies of the nation state). By challenging the culturalist perspective – the view that culture is seen as the definitive traits of a community and that these traits are enduring and stable, which largely defines social behaviour at the individual and societal level – researchers and practitioners are now looking at culture in a more dynamic manner. The implications of culture cannot be clearly delineated because culture is also a result of other forces.

Another issue that the papers in this volume examine is the relationship between identity and culture. Identity and culture are closely linked, and the concept of identity is often associated with community. People may look the same but because they live in different societies, they have different identities. Identities are shortcuts to describe who someone is. However, as shortcuts, identities offer simplified images of the Other. These simplified images are often a-temporal and a-contextual. In this volume, the various authors try to ground such images, in the context of how Chinese do business. So, the a-temporal and a-contextual caricaturized images of the Chinese as collectivistic and bestowed with a strong tendency to link up because of their cultural affinity are critically challenged here. Another common theme that runs through this collection of papers is that culture and identity change, and do so at various levels.

By means of a summary, the following issues have been singled out in this volume by the various papers. These interrelated issues are frequently neglected in writings on ethnic Chinese business conduct. They are crucial because they provide the nuanced and holistic material that is necessary to understand ethnic identity and business conduct, in this case, of Chinese outside mainland China:

First of all, *generational shifts*. People in different age groups experience and understand their ethnic world differently. With the flow of time, circumstances change. The younger generations of Chinese in Indonesia, Malaysia, Singapore and the United Kingdom have been given the opportunity to get a better education and grow up in their own multicultural societies. The younger generations form a contrast with their parents and grandparents, in terms of worldviews and available opportunities. Older Chinese business managers might have tapped into their Chinese social network to do business but the younger generation has other choices; what changes, then, have come about in the Chinese way of doing business?

Secondly *firm size*. Traditionally many studies in the past have examined large Chinese firms. Much of our knowledge therefore is related to rather large-sized firms while in daily reality most Chinese firms, like in other societies, are SMEs. Firm size affects how business people behave. Chinese SME owners must develop their own business strategies to fit their own local circumstances. SMEs may approach inter- and intra-ethnic business ties and partnerships in a different way than large firms do. In short, what can firm size reveal about ‘other ways’ of doing business?

Thirdly, *selective histories of identity*. Confucianism is often associated with the Chinese. However, the embedding of Confucianism into Chineseness is only a selective one. Histories do not make people behave in definite ways; people invoke histories when they want to communicate certain messages or want to influence others’ actions. The historical bases of identities are often contested, and in international business, Confucianism is used as the *raison d’être* to explain certain

Chinese behaviour. But to what extent do Confucian norms and values remain relevant in starkly different business environments?

Fourthly, *variety of transnationalisms*. The popularized literature has hypothesized that many overseas Chinese business managers still consider China as the homeland. Several of the studies in this volume provide empirical cases of transnationalism by Chinese enterprises that show otherwise. There is not one but many different ways in which the Chinese organize their international business networks. When does Chineseness matter in the variety of Chinese transnationalisms?

And finally, *politicking ethnicity*. At the national level, one finds social engineering programmes that attempt to shape the ethnic mix of societies. Ethnic identity is political. The politics of identity exists not only at the societal level but also at the individual level. Individuals and groups of people construct their identities situationally. In what ways and for what purposes do states, groups and individuals manipulate ethnic identities to further their business goals?

The papers in this volume address many of these issues. They all present a dynamic means of understanding Chinese identity, Chinese business conduct and of interpreting Chineseness. In doing so, they add empirical and theoretical insights to issues that have been neglected in the body of literature on ethnic Chinese businesses. With the critical lens that is used these papers bring to the fore both new understandings and corrections on existing knowledge.

The opening article by Ooi critically examines the way in which culture and identity, in the case of the Chinese, has been packaged in international business studies. He concludes that there is always politicking at stake when culture is represented. Koning zooms in on Chinese Indonesian owner-managers of SMEs by applying a generational and discursive approach, adding the revealing voices of the various Chinese business persons. Such richness is dearly missed in the wider literature. In a similar vein but for different groups of Chinese, Gomez presents the case of ethnic-Chinese owned businesses in Malaysia and the UK. He questions the theoretical foundations of the popularized literature by exploring the evolution of family firms and by employing a generational focus. Zwart and Dahles both take up the question of the transnationalization processes of ethnic Chinese firms. Zwart discusses ethnic Chinese SMEs in Malaysia venturing across the Malaysian border to China and other countries with ethnic Chinese communities, while Dahles follows several Singaporean Chinese in their ventures to China. Both papers reveal misconceptions in the literature concerning the importance of intra-ethnic business partners while venturing abroad. Providing rich empirical data on both the failures and successes, they also push the scholarly debates further. The paper by Jacobsen adds more theoretical implications to the discussions in the earlier papers. He argues that a culturalist reading of Southeast Asian Chinese modes of engaging in capitalist practices and societal entrenchments constitutes a deception that produces a variety of stereotypes of Chineseness, thus disregarding the complexity and dynamic developments within the ethnic Chinese communities in Southeast Asia.

This collection of papers is the result of the first *China in the World, the World in China* (ChinaWorld) workshop organized by the Asia Research Centre, Copenhagen Business School (March 2006). The purpose of the ChinaWorld Research Network is to monitor current research initiatives and actual developments within the network's main areas of interest and to produce pertinent cutting edge research in

order to set new standards for doing research in Chinese business studies globally. The current main focus of the ChinaWorld Network is twofold: the first main focus is on Chinese business practices among Chinese entrepreneurs in the ChinaWorld, that is, within Mainland China and among Chinese business communities around the world. The second main focus is on notions of Chineseness and how it is spelled out in different societal contexts throughout the world. The ChinaWorld Network is an open network; concerned and interested researchers are always welcome (<http://chinaworld.cbs.dk>).

The guest editors would like to express their gratitude to Gordon Cheung for facilitating this special issue, Saskia Stehouwer for her fine editing skills, the various anonymous reviewers whose comments have enhanced the papers, and the contributors for their valuable inputs.